AMINO TECHNOLOGIES PLC

RESULTS FOR THE SIX MONTHS ENDED 31 MAY 2007

HIGHLIGHTS

“The Board believes that the Group is well placed in the growing IPTV market and to take advantage of adjacent markets such as the emerging Internet TV market. The Board expects to build on the solid performance over the last six months and further improve the financial performance in the second half of the year and beyond.

Keith Todd, Chairman

”**Key points:**

- Turnover grew by 13% to £13.6m over the preceding six months (H2 2006: £12.0m; H1 2006: £13.5m).
- Gross profit grew by 22% to £4.84m over the preceding six months (H2 2006: £3.97m; H1 2006: £5.28m) and gross margins improved by 2.6 percentage points to 35.7% (H2 2006: 33.1%; H1 2006: 39.2%).
- Loss before tax reduced to £0.39m in the period from £1.63m in H2 2006 (H1 2006: break-even), despite a 7.7% weakening in the US dollar since 30 November 2006. On a constant currency basis, the results would have been approximately break-even.
- Positive cash flow increased net funds to £14.6m (30 November 2006: £14.0m; 31 May 2006: £16.8m).
- Shipments of AmiNET products increased compared to H2 2006 by 11.5% to 240,000 units.
- A total of 1,150,000 AmiNet set-top boxes have shipped since deliveries started in December 2003.
- New MPEG-4 HD set-top boxes were shipped in the period.

ABOUT AMINO

Amino Technologies plc (www.aminocom.com) designs and supplies electronic systems, software and consultancy for IPTV (telco triple-play applications: TV, data and voice communications over broadband internet), on-demand video and in-home multimedia distribution. Its award-winning set-top boxes are marketed under the AmiNET™ branding.

Amino is partnered with world-leading companies in systems integration, middleware, conditional access, semi-conductor, head-end systems and browser technologies.

CHAIRMAN'S STATEMENT

Introduction

I am pleased to announce a solid set of results for the six months to 31 May 2007. It has been a period of focus on operational delivery and assessing the key strategic opportunities. The results show recovery compared to the second half of last year and net funds have increased by £0.60m to £14.57m during the period.

When I presented the results for the year to 30 November 2006 after my first 30 days in office, I said that Amino appeared to me to have six core strengths: a good market opportunity, a leading position in the IPTV market for tier 2 and 3 telcos, a strong brand, a broad product portfolio, a strong distribution network and an effective low cost manufacturing and supply chain. I am pleased to say that Amino has continued to deliver on its strengths over the past six months.

Results and finance

As the IPTV market is still at a relatively early stage in its evolution, market conditions have tended to differ significantly from one half-year reporting period to the next. Accordingly, we consider it appropriate to view each period sequentially with appropriate comparisons. The results for H1 2007 show a trend of significant recovery when compared with H2 2006.

	Six months ended 31 May 2007 £m	Six months ended 30 November 2006 £m	Six months ended 31 May 2006 £m
Turnover	**13.56**	11.97	13.48
Gross profit	**4.84**	3.97	5.28
Operating costs	**(5.48)**	(5.87)	(5.55)
Operating loss	**(0.64)**	(1.90)	(0.27)
Net interest receivable	**0.25**	0.26	0.27
Profit/(loss) before tax	**(0.39)**	(1.64)	0.00
Profit/(loss) after tax	**(0.39)**	(1.62)	0.03

At £13.56m, turnover grew 13.4% over H2 2006 and was slightly ahead of H1 2006, reversing the decline seen during the second half of last year. The loss before tax of £0.39m was significantly reduced from the loss of £1.64m in H2 2006. When adjusted for the 11.3% reduction in the value of the US dollar, profitability for the period was broadly unchanged from break-even in H1 2006.

Unit shipments increased by 11.5% to 240,000 compared to the previous six month period and were higher than the 200,000 for H1 2006; a total of 1,150,000 set-top boxes have been delivered since shipments began in December 2003. MPEG-2 products continued to represent the core (81%) of shipments although the first volume shipments were made of the new MPEG-4 HD (high definition) products. Licensing revenue from the Group's Asian channel strategy was in line with plan at £0.52m.

Gross margin increased 2.6 percentage points in the period to 35.7% over H2 2006. This has been achieved through the continued effective management of our component and manufacturing costs which have more than offset the limited price pressure we have seen. Further benefits of the cost reduction program should be seen in the second half. Gross margins in H1 2006 (39.2%) were higher than in the current period due to a combination of change in channel mix (direct vs. distribution), market mix (hospitality vs. telco) and volume price breaks within key accounts.

Operating costs were £0.39m lower than H2 2006 and £0.07m lower than H1 2006, reflecting tight cost control and focused activity on key accounts and software eco-systems. This was despite continued investment in the new MPEG-4 HD product range (representing approximately 40% of research and development activity during the period), the emerging market for Internet TV and continued long-term business development within the tier 1 telco market.

The Group has a strong balance sheet with assets primarily made up of cash, short-term investments, trade debtors and stock. Working capital has improved since November 2006. Trade debtors reduced by £2.29m, net funds increased by £0.6m and trade creditors reduced by £1.3m. In total, inventories have increased by £0.34m due to investment in MPEG-4 products which began shipping towards the end of the period, whilst inventories of MPEG-2 products decreased during the period.

Strategy and competitive market position

Although the overall IPTV market continues to grow strongly, much of the growth is within tier 2/3 telcos deploying established technologies. It is evident that many market surveys in recent months have not read market development as accurately as may be wished; as a result, we are taking a cautious view on the latest growth predictions for MPEG-4 demand. We believe this over-estimation has been due to the delays the industry has seen in the adoption by customers of the total eco-system integration. It is also clear that MPEG-4 HD shipments will be constrained to those network operators that already have sufficient network capacity or until they have installed it.

While there are more potential competitors addressing the MPEG-4 market opportunity, the recent announcement of the Surewest MPEG-4 HD deployment was confirmation of Amino's ability to benefit from the MPEG-4 HD market opportunity. Amino already has an extensive and expanding product range, knowledge and experience of integrating the component parts of the total IPTV eco-system and a substantial global customer base. In addition, our established low cost manufacturing base has enabled us to prove our ability to drive costs down to compensate for recent pricing pressure. As a result of all these factors, Amino is well placed to grow whether the market growth is driven by continued deployment of MPEG-2 products or the MPEG-4 SD/HD market place takes off.

The Board is excited by the opportunity of the emerging Internet TV market which should enable the Group to leverage its existing products and expertise in a consumer-centric market with a different distribution channel which will require further investment by the Group in the consumer proposition which could have a positive impact in FY2008 and beyond.

Outlook

The Board believes that the Group is well placed in the growing IPTV market and to take advantage of adjacent markets such as the emerging Internet TV market. The Board expects to build on the solid performance over the last six months and to further improve the financial performance in the second half of the year and beyond.

Keith Todd
Chairman
13 July 2007

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE SIX MONTHS ENDED 31 MAY 2007

	Notes	**Six months ended 31 May 2007 unaudited £**	Six months ended 31 May 2006 Restated* unaudited £	Year to 30 November 2006 Restated* unaudited £
Turnover	3	**13,564,520**	13,480,815	25,447,255
Cost of sales		**(8,724,712)**	(8,196,634)	(16,197,987)
Gross profit		**4,839,808**	5,284,181	9,249,268
Selling, general and administrative expenses		**(3,813,275)**	(3,868,455)	(8,002,600)
Research and development expenses		**(1,665,314)**	(1,688,515)	(3,423,107)
Group operating loss		**(638,781)**	(272,789)	(2,176,439)
Interest receivable and similar income		**492,733**	282,743	623,525
Interest payable and similar charges		**(247,150)**	(5,864)	(83,506)
Group (loss)/profit on ordinary activities before taxation		**(393,198)**	4,090	(1,636,420)
Tax on (loss)/profit on ordinary activities		**—**	29,571	48,171
Group (loss)/profit on ordinary activities after taxation being (loss)/profit for the financial period		**(393,198)**	33,661	(1,588,249)
Basic (loss)/earnings per 1p ordinary share	4	**(0.70p)**	0.06p	(2.84p)
Diluted (loss)/earnings per 1p ordinary share	4	**(0.70p)**	0.06p	(2.84p)

STATEMENT OF GROUP TOTAL RECOGNISED GAINS AND LOSSES

FOR THE SIX MONTHS ENDED 31 MAY 2007

	Six months ended 31 May 2007 unaudited £	Six months ended 31 May 2006 Restated* unaudited £	Year to 30 November 2006 Restated* unaudited £
(Loss)/profit for the financial period	**(393,198)**	33,661	(1,588,249)
Exchange translation difference on consolidation	**(67,961)**	(35,911)	(185,080)
Total recognised gains and losses for the period	**(461,159)**	(2,250)	(1,773,329)

All amounts relate to continuing activities.

The accompanying notes are an integral part of these interim financial statements.

* See note 2 for details of restatement.

CONSOLIDATED BALANCE SHEET

AS AT 31 MAY 2007

	Notes	**As at 31 May 2007 unaudited £**	As at 31 May 2006 unaudited £	30 November 2006 unaudited £
Fixed assets				
Intangible assets		**884,947**	1,105,359	818,408
Tangible assets		**1,252,694**	1,330,166	1,413,734
		2,137,641	2,435,525	2,232,142
Current assets				
Stocks		**4,143,394**	2,653,022	3,808,362
Debtors: amounts falling due after one year	5	**1,910,482**	195,406	1,914,406
Debtors: amounts falling due within one year	5	**6,594,600**	9,951,348	8,586,781
Short-term investments		**15,000,000**	470,000	9,000,000
Cash at bank and in hand		**5,128,157**	16,308,118	12,658,769
		32,776,633	29,577,894	35,968,318
Creditors: Amounts falling due within one year	6	**(8,461,136)**	(3,176,303)	(11,323,294)
Net current assets		**24,315,497**	26,401,591	24,645,024
Total assets less current liabilities		**26,453,138**	28,837,116	26,877,166
Creditors: Amounts falling due after more than one year		**—**	(48,498)	(36,299)
Net assets		**26,453,138**	28,788,618	26,840,867
Capital and reserves				
Called-up share capital	7	**584,130**	582,630	582,630
Shares to be issued		**71,334**	471,000	171,000
Share premium account		**21,886,989**	21,807,240	21,807,240
Other reserve		**16,388,755**	16,388,755	16,388,755
Profit and loss account		**(12,478,070)**	(10,461,007)	(12,108,758)
Shareholders' funds	8	**26,453,138**	28,788,618	26,840,867

The accompanying notes are an integral part of these interim financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 31 MAY 2007

	Notes	**Six months ended 31 May 2007 unaudited £**	Six months ended 31 May 2006 unaudited £	Year to 30 November 2006 unaudited £
Net cash inflow from operating activities	9	**728,013**	3,166,675	459,334
Returns on investments and servicing of finance				
Interest received		**237,936**	282,743	551,491
Interest paid		**(130,752)**	(5,864)	(9,506)
Net cash inflow from returns on investments		**107,184**	276,879	541,985
Taxation		**(18,000)**	48,171	—
Capital expenditure and financial investment				
Purchase of tangible fixed assets		**(120,430)**	(448,537)	(723,894)
Purchase of intangible fixed assets		**(160,255)**	(82,319)	(173,652)
Net cash outflow for capital expenditure and financial investment		**(280,685)**	(530,856)	(897,546)
Acquisitions net of cash acquired		**—**	(617,702)	(617,702)
Net cash inflow/(outflow) before use of liquid resources and financing		**536,512**	2,343,167	(513,929)
Management of liquid resources				
Increase in short-term deposits with banks		**(6,000,000)**	(40,000)	(8,570,000)
Financing				
Issue of ordinary share capital		**16,000**	—	—
Expenses of share issue deducted from share premium		**—**	—	—
Cash received from exercise of share options		**2,040**	—	53,024
Decrease in other borrowings		**(35,286)**	(33,320)	(30,124)
(Decrease)/increase in bank borrowings		**(2,016,983)**	—	8,064,516
Net cash inflow from financing		**(2,034,229)**	(33,320)	8,087,416
(Decrease)/increase in net cash		**(7,497,717)**	2,269,847	(996,513)
Reconciliation of net cash flow to movement in net funds				
Opening net funds		**13,968,354**	14,468,271	14,468,271
(Decrease)/increase in net cash		**(7,497,717)**	2,269,847	(996,513)
Increase in deposits		**6,000,000**	40,000	8,570,000
Decrease/(increase) in borrowings		**2,016,983**	—	(8,064,516)
Exchange adjustment		**79,477**	—	(8,888)
Closing net funds		**14,567,097**	16,778,118	13,968,354

1 Basis of preparation

The consolidated financial statements of Amino Technologies plc have been presented under merger accounting rules. This means that the financial statements of Amino Technologies plc and those of its wholly owned subsidiary, Amino Holdings Limited have been aggregated and presented as if the two companies have always been together.

The figures for the six month periods ended 31 May 2007 and 31 May 2006 have not been audited. The figures for the year ended 30 November 2006 have been extracted from but do not constitute the consolidated financial statements of Amino Technologies plc for that year and have been adjusted for the restatement explained in note 2 below. The financial statements have been delivered to the Registrar of Companies and included an auditors' report, which was unqualified and did not contain a statement under section 237 Companies Act 1985.

2 Accounting policies

These interim financial statements for the six months ended 31 May 2007, which have been prepared in accordance with the accounting policies set out in the consolidated financial statements of Amino Technologies plc for the year ended 30 November 2006 other than as explained below, do not constitute statutory accounts for the purpose of section 240 of the Companies Act 1985.

Employee share option schemes – restatement for adoption of FRS 20 'Share-based payments'

The Group issues options over shares in Amino Technologies plc to its employees. From 1 December 2006 the Group has accounted for these instruments using FRS 20 'Share-based payment', in accordance with which they are measured at fair value at the date of grant. The Group has chosen to take advantage of the transitional provision of FRS 20 which permits options granted prior to the issue of Exposure Draft 2 (i.e. 7 November 2002), or which had vested by the implementation date of FRS 20 for the company (i.e. 1 December 2006), to be omitted.

The fair value of share options is calculated using an option pricing model, such as Black Scholes. The fair value determined at the grant date of options is expensed on a straight-line basis over the vesting period, based on the estimate of the number of shares that will ultimately vest.

The adoption of FRS 20 represents a change in accounting policy and the comparative figures have been restated accordingly.

In the six month period ended 31 May 2007 the effect of this change in accounting policy was to increase staff costs by £89,807 (£48,680 in selling, general and administrative expenses and £41,127 in research and development expenses).

For the six month period ended 31 May 2006 the effect was £70,303 (year ended 30 November 2006: £140,607), with £37,908 in selling, general and administrative expenses (year ended 30 November 2006: £73,716) and £32,395 in research and development expenses (year ended 30 November 2006: £66,891).

The effect on the result for the period was equal to the increase in staff costs in all periods, but there was no impact on net assets as an equal and opposite entry is recognised in reserves under FRS 20 for equity-settled share-based payments.

3 Turnover

Turnover is wholly attributable to the Group's principal activities of developing enabling technologies and providing price competitive, flexible and rapidly deployable designs to manufacturers and vendors of set-top boxes, home gateways and other communications devices. The analysis of turnover by destination is set out below.

	Six months ended 31 May 2007 unaudited £	Six months ended 31 May 2006 unaudited £	Year to 30 November 2006 unaudited £
United Kingdom, Europe and Africa	**5,689,313**	6,771,683	13,244,131
North America	**6,687,288**	6,704,958	11,892,181
Asia Pacific	**1,187,919**	4,174	310,943
	13,564,520	13,480,815	25,447,255

4 (Loss)/earnings per share

	Six months ended 31 May 2007 unaudited £	Six months ended 31 May 2006 Restated unaudited £	Year to 30 November 2006 Restated unaudited £
(Loss)/earnings attributable to shareholders	**(393,198)**	33,661	(1,588,249)
Weighted average number of shares (basic)	**55,912,904**	55,796,444	55,832,244
Weighted average number of shares (diluted)	**55,912,904**	57,415,012	55,832,244

The calculation of basic (loss)/earnings per share is based on (loss)/profit after taxation and the weighted average number of ordinary shares of 1p each in issue during the period. For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Group has only one category of dilutive potential ordinary share options: those share options where the exercise price is less than the average market price of the company's ordinary shares during the period. There is no dilutive effect in respect of the six months to 31 May 2007 since the Group made a loss.

5 Debtors

Amounts falling due within one year

	As at 31 May 2007 unaudited £	As at 31 May 2006 unaudited £	As at 30 November 2006 unaudited £
Trade debtors	**5,317,575**	7,332,765	7,610,249
VAT recoverable	**50,093**	333,138	103,044
Deferred tax	**—**	1,719,000	—
Other debtors	**6,236**	6,480	6,471
Prepayments and accrued income	**1,220,696**	559,965	867,017
	6,594,600	9,951,348	8,586,781

Amounts falling due after more than one year

	As at 31 May 2007 unaudited £	As at 31 May 2006 unaudited £	As at 30 November 2006 unaudited £
Other debtors	**191,482**	195,406	195,406
Deferred tax	**1,719,000**	—	1,719,000
	1,910,482	195,406	1,914,406

6 Creditors: Amounts falling due within one year

	As at 31 May 2007 unaudited £	As at 31 May 2006 unaudited £	As at 30 November 2006 unaudited £
Bank loans and overdrafts	**5,561,060**	—	7,690,415
Other loans	**48,498**	32,090	47,485
Trade creditors	**1,253,825**	2,317,515	2,558,223
Taxation and social security	**152,807**	225,804	202,740
Corporation tax	**707**	18,600	18,707
Other creditors	**3,966**	—	—
Accruals and deferred income	**1,440,273**	582,294	805,724
	8,461,136	3,176,303	11,323,294

7 Called-up share capital

Ordinary shares of 1p each	**As at 31 May 2007 unaudited £**	As at 31 May 2006 unaudited £	As at 30 November 2006 unaudited £
Authorised			
Nominal value	**1,000,000**	1,000,000	1,000,000
Number	**100,000,000**	100,000,000	100,000,000
Allotted, called-up and fully-paid			
Nominal value	**584,130**	582,630	582,630
Number	**58,413,052**	58,263,052	58,263,052

In respect of the acquisition of SJ Consulting Limited the Company has the contingent obligation to issue 133,334 ordinary shares of 1p each.

On 20 January 2007 the Company allotted 99,999 ordinary shares of 1p each at £0.65 per share in partial consideration of the transfer of all the entire issued share capital of SJ Consulting Limited.

On 21 February 2007 the Company allotted 50,000 ordinary shares of 1p each at £0.32 per share.

After the end of the six month period, on 6 June 2007, Amino Technologies plc cancelled £21,886,989 of the share premium created from previous subscriptions, reducing the accumulated deficit on its profit and loss account and bringing forward the time when it may be in a position to pay dividends to shareholders.

8 Reconciliation of movements in shareholders' funds

	Six months ended 31 May 2007 unaudited £	Six months ended 31 May 2006 Restated unaudited £	Year to 30 November 2006 Restated unaudited £
Opening shareholders' funds	**26,840,867**	28,249,565	28,249,565
(Loss)/profit for the period	**(393,198)**	33,661	(1,588,249)
Exchange differences on consolidation	**(67,961)**	(35,911)	(185,080)
Issue of ordinary share capital – capital	**1,499**	—	—
Issue of ordinary share capital – share premium	**79,750**	—	—
Shares to be issued	**(99,666)**	471,000	171,000
Share-based payment charge	**89,807**	70,303	140,607
Exercise of employee share options	**2,040**	—	53,024
	26,453,138	28,788,618	26,840,867

9 Reconciliation of operating loss to net cash inflow from operating activities

	Six months ended 31 May 2007 unaudited £	Six months ended 31 May 2006 Restated unaudited £	Year to 30 November 2006 Restated unaudited £
Operating loss	**(638,781)**	(272,789)	(2,176,439)
Depreciation and amortisation charge	**341,921**	282,613	563,915
Loss on disposal of tangible fixed assets	**—**	—	760
Share-based payment charge	**89,807**	70,303	140,607
Increase in stocks	**(335,032)**	(1,192,266)	(2,347,606)
Decrease in debtors	**2,250,902**	3,111,808	2,836,057
(Decrease)/increase in creditors	**(832,214)**	1,202,917	1,618,232
Exchange differences on consolidation	**(148,590)**	(35,911)	(176,192)
Net cash inflow from continuing operating activities	**728,013**	3,166,675	459,334

INDEPENDENT REVIEW REPORT TO AMINO TECHNOLOGIES PLC

Introduction

We have been instructed by the Company to review the financial information for the six months ended 31 May 2007 which comprises the consolidated profit and loss account, the statement of Group total gains and losses, the consolidated balance sheet as at 31 May 2007, the consolidated cash flow statement, and associated notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the AIM Rules of the London Stock Exchange which require that the financial information must be presented and prepared in a form consistent with that which will be adopted in the company's annual financial statements.

This interim report has been prepared in accordance with the basis set out in notes 1 and 2.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of Group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the disclosed accounting policies have been applied. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance. Accordingly we do not express an audit opinion on the financial information. This report, including the conclusion, has been prepared for and only for the Company and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 31 May 2007.

PricewaterhouseCoopers LLP

Chartered Accountants

Cambridge

13 July 2007

Notes:

(a) The maintenance and integrity of the Amino Technologies plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

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